Washington State House of Representatives Office of Program Research

BILL ANALYSIS

Technology, Energy & Communications Committee

E2SSB 6438

Brief Description: Coordinating the development of a statewide high-speed internet deployment and adoption initiative.

Sponsors: Senate Committee on Ways & Means (originally sponsored by Senators Kohl-Welles, Rockefeller, Oemig, Honeyford, Murray, Delvin and Pridemore).

Brief Summary of Engrossed Second Substitute Bill

- Requires the Department of Information Services (DIS) to develop a high-speed internet deployment and adoption strategy by September 1, 2008, and make recommendations to the Legislature by December 1, 2008.
- Requires the DIS to publish a web directory of community technology programs in the state by January 1, 2009.

Hearing Date: 2/26/08

Staff: Kara Durbin (786-7133).

Background:

In the Telecommunications Act of 1996, Congress directed the Federal Communications Commission (FCC) and state regulatory commissions to "encourage the deployment on a reasonable and timely basis of advanced telecommunications capability to all Americans."

The term "advanced telecommunications capability" is used by the FCC to describe services and facilities with an upstream (customer-to-provider) and downstream (provider-to-customer) transmission speed exceeding 200 kilobits per second (kbps). The FCC uses the term "high-

speed" for those services with over 200 kbps capability in at least one direction.

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The term "broadband service" generally refers to the high-speed transmission of electronic information. Several different types of technologies can be used to provide broadband service, including digital subscriber line (DSL), cable modem, satellite, remote DSL, broadband over power lines, wireless internet service providers, and Wi-Fi networks.

National Broadband Surveys: According to a 2006 survey by the U.S. Government Accountability Office (GAO), a variety of characteristics related to households and services influence whether consumers purchase broadband services. The GAO found that households with higher incomes were more likely to adopt broadband than lower-income households, and those households with a college-educated head of household were more likely to purchase broadband than those households headed by someone who did not graduate from college. While the GAO found that rural households are less likely to adopt broadband, their findings indicate that this difference may be related in part to the lower availability of broadband in rural areas. In addition, the GAO identified the price of broadband service as a barrier to adoption for some consumers.

State Study: The Utilities and Transportation Commission (UTC) received an appropriation of \$160,000 in the 2007-2009 Operating Budget (Budget) to conduct a survey to "identify factors preventing the widespread availability and use of broadband technologies." Specifically, the Budget directed the UTC to collect and interpret reliable geographic, demographic, cultural, and telecommunications technology information to identify broadband disparities in the state. In conducting the study, the UTC must consult with appropriate stakeholders in designing the survey. The UTC must report its findings to the Legislature by December 31, 2007.

Summary of Bill:

The Department of Information Services (DIS) must coordinate development of a comprehensive, statewide high-speed internet deployment and adoption initiative to be implemented through a public-private partnership with a non-profit organization. The goals of the initiative are to: (1) ensure all residents and businesses have access to affordable and reliable high-speed internet services; (2) achieve improved technology literacy, increased computer ownership, and high-speed internet use among state residents and businesses; (3) establish and empower local technology planning teams and partnerships to plan for improved technology use across multiple community sectors; (4) establish and sustain an environment ripe for statewide telecommunications and technology investment, including solicitation and receipt of grants, loans, and other financial mechanisms; and (5) create and regularly update a statewide geographic inventory of high-speed internet service. The DIS must convene a work group by June 1, 2008, to develop a high-speed internet deployment and adoption strategy by September 1, 2008, that will accomplish the following goals:

- create and regularly update a geographic statewide inventory of high-speed internet service and other relevant telecommunications and information technology services;
- track statewide residential and business adoption of high-speed internet, computers, and related information technology, identify barriers to adoption, and measure progress annually;
- build and facilitate local technology planning teams in the state;
- work collaboratively with high-speed internet providers and technology companies to encourage deployment and use; and
- establish programs to improve computer ownership, technology literacy, and internet access for disenfranchised populations across the state.

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By December 1, 2008, the DIS must report to the Legislature with recommendations on benchmarks and performance measures, budget and legislative needs, safeguards to protect proprietary and confidential information, a plan to complete baseline mapping of high-speed internet resources in the state in an 18-month period, and a plan for launching community technology teams. The DIS must contract with a non-profit organization with established competency in: (1) accomplishing the deployment and adoption of high-speed internet services and information technology; and (2) working directly with high-speed internet providers in the handling, storage, and use of proprietary and competitively sensitive data. High-speed internet providers may designate any data submitted to a non-profit organization under this act as confidential and exempt from disclosure under the Public Records Act.

By January 1, 2009, the DIS must publish a web directory of public facilities that provide community technology programs in the state.

The bill provides an expiration date of June 30, 2011, for the high-speed internet deployment and adoption initiative.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect 90 days after adjournment of session in which bill is passed.

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